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## Thailand

### Rice Price - Weekly

#### Weekly Rice Price Update

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**Report Highlights:**

TH 0177 Domestic and export prices declined by around 1.0 percent as the government resumed intervention stock releases. For the week the government preliminary approved the release of 0.8 million tons of 5% grade white rice. So far since July 2010, the government has released rice intervention stock of approximately 3.5 million tons (out of total stock of 5-6 million tons) through selective tenders for export only.

**Post:**  
Bangkok

## Market Tone

**Table 1: Export Prices (FOB) for various grades of Thai rice (USD/MT), Week ending Dec. 27, 2010**

Quality	Exporter Observations							Period Average	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	995	-	1,035	-	980	1,080	-	1,023	1,051
WR 100 B	535	-	555	-	540	550	540	544	549
PB 100%	520	-	550	-	540	535	530	535	537
PB 5%	515	-	540	-	535	530	525	529	532
WR 5%	515	-	535	-	520	530	530	526	531
WR 10%	510	-	525	-	515	525	-	519	525
WR 15%	495	-	510	-	-	515	-	507	512
WR 25%	465	-	475	-	-	480	-	473	478
WR 35%	-	-	-	-	-	-	-	-	-
A1 SUP	390	-	410	-	395	405	-	400	405
A1 SPEC	-	-	-	-	-	-	-	-	-

Exchange rate: 30.05 baht/U.S.\$

Source: Average actual prices received from exporters

Domestic and export prices declined by around 1.0 percent as the government resumed intervention stock releases. The government's sub-committee on the rice stock release chaired by the Ministry of Commerce considered and approved rice intervention stock release for export of 0.8 million tons of old-crop 5% grade white rice to the top three rice exporters in a selective tender last week. The average accepted bidding prices was 12,600 baht/ton (\$420/MT) which is 10-15 percent lower than current market prices. This stock release will likely have cabinet approval early next year. So far since July 2010, the government has released rice intervention stock of approximately 3.5 million tons (out of total stock of 5-6 million tons) through selective tenders for export only. Most were old-crop white rice which was exported to African countries at a relatively slow pace due to competition from Vietnamese rice. More than half of the total stock release is expected to be carried over for export next year. The government will keep around 1.0 million tons of the intervention stock as safety stock for food security purpose.

The government's weekly benchmark price for white rice for December 27, 2010 – January 2, 2011 declined by 1.5 percent. As such, farmers will receive higher compensation compared to the previous week. Farmers that sell their supplies this week will not attain insurance prices, as compensation will slightly fall short due to higher benchmark price over market prices.

**Table 2: Price Insurance Scheme for MY2009/2010 - MY2010/2011 rice crop**

	Rice paddy				
	Fragrant rice (Hommali)	Provincial fragrant rice	Pathum fragrant rice	Glutinous rice	White rice
1. Eligible tonnage (ton/household) <sup>a/</sup>	14	16	25	16	25
2. Insured prices (Baht/ton) <sup>a/</sup>	15,300	14,300	11,000 <sup>d/</sup>	9,500	10,000
3. Benchmark prices (Baht/ton) <sup>b/ c/</sup>					
Nov 29 - Dec 5	13,696	13,353	11,630	16,126	8,936
Dec 6 - 12	13,871	13,417	11,605	15,463	8,905
Dec 13-19	13,742	13,317	11,464	14,518	8,954
Dec 20-26	13,539	13,139	11,070	13,876	8,904
Dec 27 - Jan 2	13,295	12,873	10,657	14,002	8,769
4. Compensation (1-2), (Baht/ton)					
Nov 29 - Dec 5	1,604	947	-	-	1,064
Dec 6 - 12	1,429	883	-	-	1,095
Dec 13-19	1,558	983	-	-	1,046
Dec 20-26	1,761	1,161	-	-	1,096
Dec 27 - Jan 2	2,005	1,427	343	-	1,231
5. Market prices (Baht/ton)					
Nov. 29 - Dec 5	15,250	13,750	11,550	14,500	8,900
Dec 6-12	14,250	13,250	11,100	13,500	8,950
Dec 13-19	14,250	13,500	10,800	14,500	8,950
Dec 20-26	13,750	13,500	10,600	14,500	8,850
Dec 27 - Jan 2 <sup>f/</sup>	13,975	13,000	10,500	15,000	8,750

Note:

<sup>a/</sup> Cabinet approval on  
Sep. 22, 2009<sup>b/</sup> Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of  
twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in  
Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by

the Permanent Secretary General of the Ministry of Commerce.

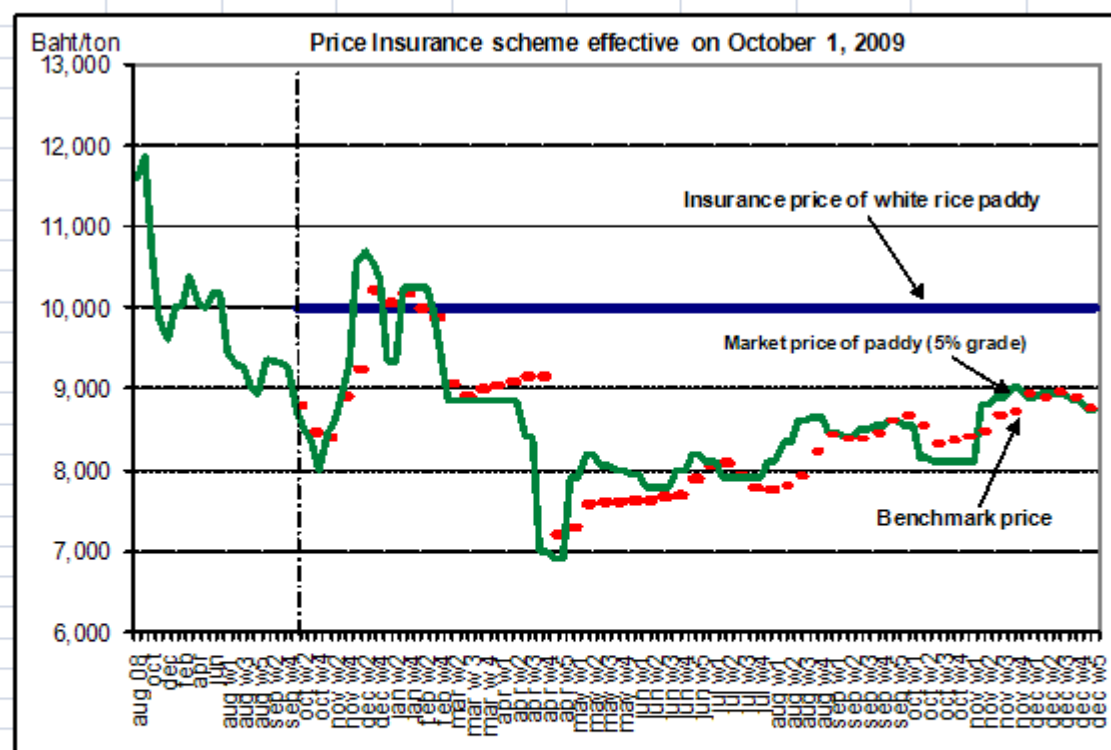
<sup>c/</sup> Starting Apr. 26, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.

<sup>d/</sup> The insured prices of MY 2009/10 second-crop Pathum Fragrant rice were revised up from 10,000 tons/MT in MY2009/10 main-crop price insurance scheme, effective Mar. 16, 2010

<sup>e/</sup> The benchmark prices of fragrant rice and Provincial fragrant rice are for MY2010/11 crop.

<sup>f/</sup> As of Dec 27, 2010

**Figure 1: Comparison of market price, insurance price, and benchmark price**



**Note:** 1/ Benchmark prices are average historical wholesale prices which will be used for the calculation of compensation to farmers. The compensation is based on the difference between insurance prices and benchmark prices.

<sup>a</sup> Starting March 8, 2010 the benchmark prices will be published on a weekly basis instead of twice a month on the 1st and 16th, based on average historical wholesale prices of last 15 days in Bangkok. The prices are set by the Subcommittee on Benchmark Price Determination, chaired by the Permanent Secretary General of the Ministry of Commerce.

<sup>b</sup> Starting Apr. 26, 2010 the benchmark prices will be based on average wholesale price of last week in Bangkok.

## Rice Export Update

Unofficial rice exports (excluding fragrant rice) for December 20-26, 2010 totaled 181,514 tons, down 10,131 tons from the previous week, and up 10,852 tons from the four-week moving average of 170,662 tons. Exports of white rice and parboiled rice during January 1 – December 26, 2010 totaled 6,493,267 tons, up 10.6 percent from 5,869,983 tons in the previous year.

According to the Department of Foreign trade, Ministry of Commerce, total rice exports (including

fragrant rice) during January 1 – December 22, 2010 amounted to 8,683,674 tons, up 3.5 percent from 8,391,032 tons in the previous year.

**Table 3: Weekly rice exports (excluding fragrant rice)**

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	(%)
Oct 17	150,078	152,755	4,816	4,762	1.1
Oct 24	166,295	152,936	4,982	4,905	1.6
Oct 31	175,976	157,229	5,158	5,027	2.6
Nov 7	151,009	160,340	5,309	5,121	3.7
Nov 14	176,449	167,432	5,486	5,234	4.8
Nov 21	166,973	167,602	5,653	5,345	5.8
Nov 28	158,089	163,130	5,811	5,425	7.1
Dec 5	154,521	164,008	5,965	5,500	8.5
Dec 12	154,966	158,637	6,120	5,614	9.0
Dec 19	191,645	164,806	6,312	5,742	9.9
Dec 26	181,514	170,662	6,493	5,870	10.6

*Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.*

Source: Board of Trade of Thailand

<b>Table 4: Weekly private registered rice export sales</b>			
<b>Movement (MT)</b>	<b>Dec 6-10</b>	<b>Dec 13-17 (Revised)</b>	<b>Dec 20-24</b>
<b>Weekly sales</b>	<b>179,607</b>	<b>313,672</b>	<b>198,000</b>
<b>4 week sum</b>	<b>766,443</b>	<b>818,875</b>	<b>871,179</b>
<b>4 week mov. avg.</b>	<b>191,611</b>	<b>204,719</b>	<b>217,795</b>
<b>Year-to-date sales</b>	<b>7,020,759</b>	<b>7,334,431</b>	<b>7,532,431</b>

End of report.